Wind energy for meeting power deficit

869. SHRI B.J. PANDA:
SHRI KRIPAL PARMAR:

Will the Minister of NON-CONVENTIONAL ENERGY SOURCES be pleased to state:

(a) whether it is a fact that the wind energy sector in our country is emerging as an economically viable option to meet the current power deficit in different States;

(b) whether renowned industrialists and other eminent personalities have been investing in this sector to exploit the potential;

(c) whether the installed capacity in this sector is increasing at a fast pace and that the nation could be one of the biggest wind power producers in the world; and

(d) if so, action-plan of the Government to harness the gains of this pollution-free source of energy?

THE MINISTER OF STATE OF THE MINISTRY OF NON-CONVENTIONAL ENERGY SOURCES (SHRI VILAS MUTTEMWAR): (a) A cumulative installed capacity of around 3000 MW has been achieved as on 31.12.2004 in the country. Wind power requires a set of incentives to remain competitive including preferential tariff. Considering that the potential for setting up wind power projects exists only in 10 States, the intermittent nature of such power supply and its low capacity utilization factor, wind power is expected to play a supplemental role. However, the aim is that 5% of additional grid interactive power installed capacity would come from wind energy during the 10th and 11th plan period.

(b) Yes, Sir.

(c) Yes, Sir. The installed capacity of wind power projects has increased from 242 MW in 2002-03 to 615 MW in 2003-04 and it is expected to increase in 2004-05. India presently ranks at the fifth position in the world in terms of wind power installed capacity.

(d) Grid Interactive Wind Power Programme is essentially private sector driven. The steps taken by the Government to promote setting up of wind power projects include concessional import duty for wind electricity

generator sub-systems, excise duty exemption, ten years tax holiday on power projects, benefit of accelerated depreciation and loan from Indian Renewable Energy Development Agency (IREDA) and other financial institutions. Wind resource assessment studies are supported in various States for identifying new areas for deployment of wind power projects. Wind power is being given preferential tariffs in respective States.

Private participation in power sector

870. DR. M.A.M. RAMASWAMY: Will the Minister of POWER be pleased to state:

(a) the steps taken by the Central Government to improve private participation in power sector;

(b) whether there has been certain road-blocks which are hindering private participation in power sector;

(c) if so, the details thereof; and

(d) the steps taken by Central Government to remove these road-blocks?

THE MINISTER OF POWER (SHRI P.M. SAYEED): (a) The Electricity Act, 2003 which has come into effect from 10th June, 2003 contains several measures to attract private investment in the power sector. Government has also initiated the process of reforms and re-structuring of power sector which would improve the finances of the power utilities thereby attracting private investments.

Under the Act, thermal generation has been fully delicensed and captive generation has been freely permitted, Central and State Regulatory Commissions have been set up and power trading has been recognized as an independent activity.

Under the provisions of the Act, open access in transmission has been introduced to promote competition amongst the generating companies who can now sell to diferent distribution licensees across the country. Guidelines for competitive bidding for procurement of power by distribution licensees under the Electricity Act, 2003 have been issued.

The National Common Minimum Programme has reiterated the commitment of the Government to an increased role for private generation of power and more importantly, in power distribution. From time to time, Government has taken serveral measures to increase private investment